Trademark and Unfair Competition Law

Slides 11: Deceptive & Deceptively Misdescriptive Marks

LAWS 7341-001
Prof. Kristelia García
Class Outline

• Deceptive and Deceptively Misdescriptive Marks
  – Non-Geographic
  – Geographic (aka “Primarily Geographically Deceptively Misdescriptive”)

• Geographic Certification Marks

• False Suggestion of a Connection
Lays: Betcha Can’t Eat Just One

Skittles: Taste the Rainbow
Lanham Act §2

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it –

(a) Consists of or comprises...deceptive...matter...

... 

(e) Consists of a mark which (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them,...(3) when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them.
Non-Geographic Deceptive v. Deceptively Misdescriptive Marks

I. The Statutory Distinction

A. Lanham Act §2(a): bars registration of mark if it consists of or comprises . . . deceptive . . . matter

B. Lanham Act §2(e)(1): bars registration of a mark which is “deceptively misdescriptive” of goods in connection with which it is used; *but Lanham Act §2(f) allows registration of such a mark if it “has become distinctive of the applicant’s goods in commerce.”
II. The Consequence of the Distinction:

A. “Deceptive” marks can never be registered

B. “Deceptively Misdescriptive” marks can be registered once they develop secondary meaning
Non-Geographic Deceptive v. Deceptively Misdescriptive Marks

III. The Basis of the Distinction

A. Marks are “Deceptively Misdescriptive” if they
   1) Misdescribe the character, quality, function, composition or use of the goods, and
   2) Do so in a way that likely deceives prospective purchasers into believing that the misdescription actually describes the goods

B. Marks are “Deceptive” if, in addition to the above, they also
   3) Are likely to be material to the decision to purchase
In other words, a mark is **deceptive** if it is . . .

- false;
- believable;
- material

A mark is merely **deceptively misdecriptive** of the goods if it is . . .

- false; and
- believable; but
- the falsehood is **not** material
Budge Test

1. Is the term misdescriptive of the character, quality, function, composition or use of the goods?

2. If so, are prospective purchasers likely to believe that the misdescription actually describes the goods?

3. If so, is the misdescription likely to affect a significant portion of the relevant consumers’ decision to purchase?

If “yes” to all 3 = deceptive; no protection. If “yes” to 2, but “no” to 3 = deceptively misdescriptive; protectable upon showing of secondary meaning.
Lanham Act §2(e)(3)

A mark will be denied registration if “when used on or in connection with the goods of the applicant, is primarily geographically deceptively misdescriptive of them...”
BEFORE NAFTA (pre-1993)

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### AFTER NAFTA (post-1993)

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<td><strong>TOTALLY UNREGISTRABLE</strong> - Secondary Meaning will not help</td>
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Something that’s harder to say than “primarily geographically deceptively misdescriptive marks”:
3-part test for primarily geographically deceptively misdescriptive marks:

A mark is primarily geographically deceptively misdescriptive only if:

1. The primary significance of the mark is a generally known geographic location; and

2. The consuming public is likely to believe the place identified by the mark indicates the origin of the goods...when in fact the goods do not come from that place; and

3. The misrepresentation was a material factor in the consumer’s decision.
“Goods-Place Association”

- Public must associate the goods in question with the place identified by the mark

- Even a geographic connotation that is not important to consumers can still satisfy the Goods-Place Association requirement

- The geographic place does not have to be famous for the goods
Goods-Place Association?
Lanham Act §4 – Geographic Certification Marks

“indications of regional origin may be registrable under section 4”
02. State Brand Grade and Packaging Requirements. Idaho® potatoes shall meet all requirements of U.S. Extra No. 1 as defined in the U.S. Standards for Grades of Potatoes, March 27, 1991, with the following additions or exceptions:

a. Mature.

b. Fairly well shaped. Defined as excluding the lower limits of such classification.

c. Appearance as related to russetting. Defined: at least seventy five percent (75%) of the surface of the individual potato shall be moderately netted which means the netting will be solid net-like in appearance.

d. Size shall be two and one eighth (2-1/8) inches in diameter and four (4) ounces minimum, eleven (11) ounces maximum.

e. Tolerances for grade defects are defined in 511546(a)(2), for U.S. No. 1.

f. All other tolerances and definitions of the Standards apply.
False Suggestion of a Connection

LA 2: No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(a): Consists of or comprises... matter which may ... falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols ...

(c): Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.
1. Whether Applicant’s mark is the same or a close approximation of [person or entity’s] previously used name or identity;

2. Whether Applicant’s mark would be recognized as such by purchasers, in that the mark points uniquely and unmistakably to [the person or entity];

3. Whether [the person or entity] is not connected with the goods that will be sold by Applicant under its mark; and

4. Whether [the person or entity’s] name or identity is of sufficient fame or reputation that when Applicant’s mark is used on Applicant’s good, a connection with [person or entity] would be presumed.